

Baxter/Edwards

MARCH 31, 2000	BAXTER ("REGULAR WAY")	EDWARDS ("WHEN ISSUED")
Closing price on the New York Stock Exchange	\$62.6875	\$13.5625

	MAR. 31, 2000 PER SHARE MARKET VALUE (1)	VALUE ADJUSTED PER PREVIOUS SHARE OF BAXTER COMMON (2)	ADJUSTED VALUES AS A PERCENT OF TOTAL (3)	MULTIPLIER TO DETERMINE NEW COST PER SHARE COST BASIS (4)
Baxter International Common Stock	\$62.6875	\$59.9750	0.95673	0.95673
Edwards Common Stock	\$13.5625	\$2.7125	0.04327	0.21635
TOTAL		\$62.6875	1.00000	

TO CALCULATE THE COST BASIS OF YOUR BAXTER STOCK (BAX):

Multiply the original total cost of your Baxter stock by 0.95673 (or 95.673%). The result is the new cost basis of your Baxter stock. (To calculate the cost basis "per share", please see the ratios under "Multiplier to Determine New Per Share Cost Basis" found in the table above.)

TO CALCULATE THE COST BASIS OF YOUR EDWARDS LIFESCIENCES STOCK (EW):

Multiply the original total cost of your Baxter stock by 0.04327 (or 4.327%). The result is the new cost basis of your Edwards Lifesciences stock. (To calculate the cost basis "per share", please see the ratios under "Multiplier to Determine New Per Share Cost Basis" found in the table above.)

(1) The closing market price for each stock on March 31. The closing market price of Baxter common stock trading "Regular Way". The closing market price of Edwards common stock trading "When Issued".

(2) Since Edwards shares are being distributed on a 1-for-5 basis, the per share market values must be adjusted by dividing by five (5) and the Baxter shares must be adjusted to reflect the value without the value of the Edwards shares.

(3) These fractions represent the \$59.9750 value of one share of Baxter common stock and the \$2.7125 value of one-fifth (1/5) share of Edwards common stock received for one (1) share of Baxter common stock, in relation to the sum of such values, \$62.6875.

(4) Multiplier applicable to the previous per share tax basis for Baxter common stock to determine the new per share cost basis for each (Baxter and Edwards) stock. This multiplier is determined by multiplying the percentage in column 3 for Baxter by one (1) for one full share of Baxter stock and the percentage in column 3 by five (5) to determine a full share of Edwards common stock.